



INTERNAL AUDIT SURVEY HUMAN RESOURCES

December 20, 2004

Roanoke City Council Audit Committee
Roanoke, Virginia

We have completed our audit of Human Resources. Our audit was performed in accordance with generally accepted government auditing standards.

BACKGROUND

The Department of Human Resources was established in November 1964 to consolidate all departmental employment and hiring into one department. The Human Resources Department has twelve employees which include the Director of Human Resources, two Human Resources Administrators, Training and Development Coordinator, two Compensation/Benefits Analysts, Human Resources Training Analyst, Human Resources Recruiter, Volunteer Coordinator, and three Human Resources Technicians. The Director of Human Resources also supervises the Risk Management and Occupational Health divisions.

The Department of Human Resources has many functions such as reviewing classifications, conducting surveys with other localities, proposing annual pay increase rates, employee development, administering sections of the Public Safety testing, maintaining employee records, recruitment, and benefits. The City of Roanoke was the first local government in Virginia to accept employment applications on its Web site.

In spring 2004, the Municipal Volunteer Program was announced and the Department of Human Resources hired a Volunteer Coordinator to administer the program. The program's purpose is to engage the community to participate in civic service at the City of Roanoke, thus creating a more enlightened and active citizenry.

The Human Resources Department has a \$1,124,853 adopted budget for 2004-2005. Of this, \$732,840 is related to personnel expenditures, \$76,264 is related to internal services, and \$315,749 is related to operating expenditures. Human Resources has five key businesses as stated in its budget:

- Employment
- Compensation and Benefits Program
- Performance Management
- Employee Learning and Organizational Development
- Employee Relations

The budget also states that the department's mission is to help develop a high quality work environment by supporting the employment and retention of a well-qualified, diverse, and healthy workforce.

The Human Resources Department is also responsible for ensuring compliance with numerous laws and regulations including the Fair Labor Standards Act, Equal Pay Act, Age Discrimination in Employment Act, and Title VII of the Civil Rights Act.

The Director of Human Resources is a member of the Society for Human Resource Management and the professional staff members belong to the International Public Management Association for Human Resources.

SCOPE

Our audit focused on procedures in the Human Resources area as of September 1, 2004. We did not review Occupational Health's and Risk Management's policies and procedures.

OBJECTIVES

The specific objectives of this survey were to obtain a broad understanding of the goals, objectives, and basic functions of the Human Resources Department. In addition, it was to evaluate the basic components of the system of internal controls including the organizational structure, the assignment of responsibilities, documented policies and procedures, and processes for monitoring performance goals.

METHODOLOGY

We gained an understanding of the Human Resources Department by observing and interviewing all of the Human Resources personnel. We reviewed their job descriptions, organizational structure, mandates, and performance measures. Based on our understanding, we documented the system of internal controls in a process outline to evaluate the degree to which processes support department goals, objectives, and mandates. We then evaluated how closely the job descriptions and job specific competencies were aligned with the each person's work.

RESULTS

The job descriptions and job specific competencies were well aligned with each person's work. The organizational structure is designed to appropriately delegate responsibility and authority. There are processes in place to support department goals, objectives, and mandates. Methodologies have been adopted to monitor progress towards accomplishing departmental performance measures. Basic guidance is provided by Human Resource's Administrative Procedures and Personnel Operating Procedures. We identified other minor issues that were discussed with management for their review and consideration.

We would like to thank the employees of the Human Resources Department for their cooperation in completing this audit.

Pamela C. Mosdell, CISA, CIA
Information Systems Auditor

Drew Harmon, CPA, CIA
Municipal Auditor